

Message Text

CONFIDENTIAL

PAGE 01 STATE 095674

65

ORIGIN NEA-10

INFO OCT-01 ISO-00 COME-00 EB-07 /018 R

DRAFTED BY NEA/ARP:PDMOLINEAUX:LB

APPROVED BY NEA/ARP:FMDICKMAN

NEA/RA:DMORRISON (INFO)

DOC/CAGNE:Gbeck (INFO)

----- 022108

P 202154Z APR 76

FM SECSTATE WASHDC

TO AMEMBASSY MUSCAT PRIORITY

C O N F I D E N T I A L STATE 095674

E.O. 11652: GDS

TAGS: BGEN, PFOR, MU

SUBJECT: INTERCONTINENTAL HOTEL PROJECT

REFS: (A) MUSCAT 400, (B) STATE 85458, (C) WOLLE-MOLINEAUX
LETTER 10 APRIL

1. DEPARTMENT TRANSMITTING VIA SEPTEL MESSAGE FROM IHC
NEW YORK FOR MINISTER OF COMMUNICATIONS RAJAB.

2. IHC SENT FOLLOWING TELEX TO RAJAB 13 APRIL: "EXCELLENCY
IN RESPONSE TO YOUR TELEGRAM DATED APRIL 10, 1976. IHC IS
DESIROUS OF DISCUSSING THE FOLLOWING: 1.) EXPULSION OF
IHC REPRESENTATIVE 2.) SCOPE OF FUTURE TSA WORK 3.) EQUI-
TABLE ADJUSTMENT OF TSAC UNDER SECTION 2-B OF TSA AGREEMENT.
IN REGARD TO POINT 3 WE WOULD APPRECIATE RECEIVING YOUR
THOUGHTS SINCE WE TOO BELIEVE SOME EQUITABLE ADJUSTMENT
REQUIRED IN VIEW OF PROTRACTED DURATION OF CONTRACT.
WHILE MR. BURGUND IS EMPOWERED TO DISCUSS ALL SUCH MATTERS,
BECAUSE OF GRAVITY THEREOF FINAL DECISION ON IHC SIDE WILL
BE MADE BY ME. IT WOULD BE MOST HELPFUL TO RECEIVE IN
ADVANCE DIRECTLY YOUR THINKING IN REGARD TO ALL THE
AFORESAID MATTERS. I AWAIT YOUR FORTHRIGHT REPLY SO THAT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 095674

WE MAY AMICABLY AND EXPEDITIOUSLY RESOLVE THIS. RESPECTFULLY,

PAUL C. SHEELINE, CHAIRMAN, INTERCONTINENTAL HOTEL CORP."

3. IHC RECEIVED FOLLOWING TELEX FROM RAJAB 17 APRIL:
"A REPRESENTATIVE FROM IHC WHO HAS FULL AUTHORITY TO
TAKE DECISION WITHOUT FURTHER REFERENCE TO NEW YORK IS
TO ATTEND A VERY IMPORTANT AND URGENT MEETING IN MUSCAT
ON MONDAY, 26 APRIL 1976, AT 10 A.M. IN THE GOVERNMENT
BUILDING MEETING ROOM. SUBJECT OF THE MEETING IS INTER-
CONTINENTAL HOTEL PROJECT IN OMAN. CONFIRM THAT A
REPRESENTATIVE FROM IHC WITH FULL AUTHORITY IS ATTENDING
AT THE FIXED TIME AND DATE. REGARDS, MINISTER OF COMMUN-
ICATIONS."

4. IHC VICE PRESIDENT BURGUND INDICATED TO DEPT.(NEA/ARP)
APRIL 19 THAT IT NOT CLEAR WHETHER RAJAB 17 APR MSG IS OR
IS NOT RESPONSE TO IHC 13 APRIL TELEX. IN ANY CASE, IHC
DISTURBED BY PEREMPTORY TONE OF RAJAB TELEX. IHC NOTES
THAT REASONS FOR NEVILLE'S EXPULSION HAVE NOT BEEN
MADE CLEAR; SAYS IT NOT POSSIBLE THAT IHC REPRESENTATIVE
TO VISIT MUSCAT COULD MAKE NEW AGREEMENTS WITHOUT
CONSULTING IHC NEW YORK.

5. REF (C) REFLECTED INTEREST IN PROJECT ON PART OF
FOREIGN MINISTER ZAWAWI.

6. DEPT DEFERS TO EMBASSY'S JUDGMENT, BUT SUGGESTS THAT
APPROACH BY AMBASSADOR TO FOREIGN MINISTER ZAWAWI MIGHT
BE DESIRABLE AND APPROPRIATE, A.) TO SMOOTH OBVIOUSLY
TROUBLED WATERS BETWEEN IHC AND MINISTER OF COMMUNICA-
TIONS; B.) TO BYPASS RAJAB, IF RAJAB IS SOURCE OF
PROBLEM; AND C.) TO MAKE OMANI GOVERNMENT AWARE THAT IT
CANNOT ACT IN HIGHHANDED ARBITRARY FASHION WITH REPUTABLE
AMERICAN BUSINESS INTERESTS WITHOUT JEOPARDIZING RELA-
TIONS WITH AMERICAN BUSINESS COMMUNITY IN GENERAL AND
EVEN WITH USG. ROBINSON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: HOTELS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 20 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE095674
Document Source: CORE
Document Unique ID: 00
Drafter: PDMOLINEAUX:LB
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760149-1117
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760442/aaaabjlf.tel
Line Count: 96
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 MUSCAT 400, 76 STATE 85458
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 17 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17 JUN 2004 by CunninFX>; APPROVED <15 OCT 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INTERCONTINENTAL HOTEL PROJECT
TAGS: BGEN, PFOR, MU, US
To: MUSCAT
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006